GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3013
ANSWERED ON:07.12.2001
NON-PROCUREMENT OF FOODGRAINS AT MSP
RAMJI MANJHI;RASA SINGH RAWAT;RATILAL KALIDAS VARMA;SHEESH RAM SINGH RAVI

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the attention of the Union Government has been drawn to the news-item captioned `Uttar Pradesh traders reap floor price`, appearing in Times of India dated November 16, 2001;

(b) if so, the details of the facts reported therein;

(c) whether due to non procurement by FCI/State procuring agencies the farmers of U.P. areselling their wheat and paddy to traders on cash at cheap rates;

(d) if so, whether there is any proposal to introduce minimum support price regime in U.P. to help poor farmers and to take steps for an early payment to farmers by FCI;

(e) whether the same situation also prevails in some other States; and

(f) if so, the details of those States and corrective steps taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI PRADHAN)

(a): Yes, Sir

(b): According to information received from the Government of Uttar Pradesh, there is noreport of distress sale of wheat. Uttar Pradesh is a surplus State in foodgrains and movement of foodgrains to other States is a normal activity, as the entire country is treated as a single food zone. There was record procurement of 24.46 lakh tonnes of wheat in Uttar Pradesh during the period April to June, 2001.

The Government of Punjab has pointed out thatno wheat brought from Uttar Pradesh has beenprocured by State Procurement Agencies in Punjab during or after the Rabi Marketing Season 2001-2002.

(c): The State of Uttar Pradesh has adopted decentralized schemeof procurement for wheat and paddy/rice. Under the price support scheme, farmers are free to sell their produce to the State Agencies or in the open market as is advantageous to them. The stocks of wheat and rice conforming to the FAQ specifications are purchased by the State agencies. As on 3.12.2001, Government of UP have opened 1570 purchase centres for paddy and procured a quantity of 1,65,726 MTs as compared to 1,26,629 MTs procured during the corresponding period last year. For the period from 1st April 2001 to 30th June 2001 Government of Uttar Pradesh opened4390 purchase centres for wheat and procured a record quantity of 24.46 lakh tonnes. As reported by Government of Uttar Pradesh, no report of distress sale of wheat and paddy has been received.

(d): Does not arise in view of (c) above.

(e)&(f): As and when any report of distress sale is received, the same is referred to FCI/concerned State Government for taking immediate corrective action.